

San Joaquin River Management Program Advisory Council Meeting

Wednesday, February 14, 2007

Stanislaus County Agricultural Center
Rooms H&I in the Stanislaus Building
3800 Cornucopia Way
Modesto, California

DRAFT AGENDA

- 9:00 a.m. Welcome and Introductions – Paula Landis, DWR
- 9:15 a.m. SJR Settlement Agreement Update – Bill Luce, FWUA and Monty Schmitt, NRDC
- 10:15 a.m. State and Federal Restoration Update - Paula Landis, DWR and Jason Phillips, USBR
- 10:45 a.m. This River is Our River, Phase 2 PSA – Sharon Weaver, SJR Parkway and Conservation Trust
- 11:15 a.m. Other Business
- 11:30 a.m. Adjourn

SAN JOAQUIN RIVER MANAGEMENT PROGRAM ADVISORY COUNCIL

DRAFT MEETING HIGHLIGHTS

Wednesday, February 14, 2007
Stanislaus County Agricultural Center
Modesto, California

Welcome and Introductions

The San Joaquin River Management Program (SJRMP) Advisory Council met at the Stanislaus County Agricultural Center in Modesto, California. Paula Landis, Department of Water Resources (DWR), opened the meeting with announcements and introductions.

San Joaquin River Settlement Agreement Update

Bill Luce, Friant Water Users Authority (FWUA), and Monty Schmitt, Natural Resources Defense Council (NRDC), discussed the San Joaquin River restoration and water management goals resulting from the NRDC vs. Rodgers settlement. The parties involved in the lawsuit included the U.S. Department of Interior representing the US Bureau of Reclamation (Bureau) and the US Fish and Wildlife Service (FWS), FWUA, and NRDC. The lawsuit was originally filed by NRDC and 14 other environmental and fishing groups in December 1988 when the renewal of the Friant contracts was challenged. The complaint was amended in the mid 90s to include compliance with Fish & Game Code §5937; requiring protection of fish below a dam. In August 2004, the Court ruled that the Bureau was liable under 5937. Settlement discussions began in September 2005 and an agreement was reached in September 2006.

Topics covered in the settlement include restoration and water management goals, a re-opener option, funding, legislation, state participation, and third parties. Schmitt explained the restoration goals that focus on restoring spring and fall run Chinook salmon, restoring flows to the confluence of the Merced River, and channel improvements. Based on genetic fitness the settlement parties prefer to restore spring run Chinook. A 500 fish minimum is desirable, but the final number will ultimately be determined by the FWS. The plan is for full restoration flows beginning no later than January 1, 2014. Interim flows are planned for 2009.

Proposed channel improvements include isolation of gravel pits, fish passage, fish screening, channel modifications, addition of bypass channels, and levee improvements. Possible issues to be determined include seepage impacts when the flows are restored, channel capacity, and the health of the riparian corridor. The cost to complete these actions are estimated to range from \$250 to \$800 million, with the largest variable being the specific type and extent of levee work that may be. Where

seepage issues need to be addressed the options for levees range from expensive slurry wall construction to the more affordable installation of toe drains.

Luce discussed the water management goals in the Settlement which include-- the development and implementation of a plan for recirculation, recapture, reuse, exchange or transfer to mitigate impacts to water users; implementation of a Recovered Water Account program and to make water available prior to restoration flows at reduced prices. FWUA currently has rights to 800,000 acre-feet of water supply (Class 1) and a supplemental supply of 1.4 million acre-feet (Class 2). Current usage is about 1,281,000 acre-feet of Central Valley Project annually. Under the Settlement, Friant's total average annual deliveries would be reduced by 242,000 acre-feet (19%) to 1,039,000 acre-feet. Under average dry year conditions, Friant currently delivers 629,000 acre-feet of water. Under the Settlement, Friant's average annual dry year deliveries would be reduced by 145,000 acre-feet (23%) to 484,000 acre-feet. A Recovered Water Account program will be designed to make water available to all Friant Division long-term contractors that provide water for Interim Flows or Restoration Flows for the purpose of reducing or avoiding impacts of such flows on contractors. Water deliveries under this provision are expected to be used primarily to support feasible groundwater programs. Water from the account will be made available to contractors only in wet years when it is not needed for restoration flows or water contractor obligations at a reduced cost of \$10 per acre-foot. Funds generated by this account will be deposited in a Restoration Fund that will be established under federal legislation authorizing settlement implementation.

Friant will fund some of the effort with monies through an existing Central Valley Project Improvement Act (CVPIA) surcharge of about \$8 million/year on average, a portion of the CVPIA restoration fund that is up to \$2 million/year, and water rates that are redirected at about \$10 million/year on average. The surcharge is required by federal legislation, and will need to be moved into a restoration funding account or a bond. These funds can be counted as non-federal contribution since this is paid by the water users who use CVPIA water. The federal government is pending authorization of \$250 million for funding the restoration effort. In the November election California voters passed Proposition 84, allocating \$100 million for the San Joaquin River restoration. Additional state funding may become available through Proposition 1E; for levee work. Federal legislation was introduced to implement the Settlement by Senator Feinstein on January 4, 2007.

A Technical Advisory Committee (TAC) will be comprised of six voting members (two Friant members, two NRDC members, and two members appointed jointly by Friant and NRDC). DWR and CA Department of Fish and Game (DFG) will be included as non-voting members. This TAC will be coordinated by a Restoration Administrator that will provide the input from the TAC and make recommendations to the Secretary of the Interior.

The State was not a party to the settlement so an MOU defining the State's role in the restoration effort has been executed that defines the coordination between federal and

State agencies. The public and other third parties will be included in the restoration efforts through the California Environmental Quality Act (CEQA)/ National Environmental Policy Act (NEPA) process. Third party participants include those that will be impacted by the restoration efforts like downstream fisheries, landowners, facility owners, and those with water impact concerns.

State and Federal Restoration Update

Jason Phillips, Bureau, discussed the federal governments' role in the San Joaquin River restoration and Paula J. Landis, DWR, addressed the State's role. The federal and State governments will be the primary implementing agencies for river restoration. These agencies include the Bureau, FWS, and the National Marine Fisheries Service (NMFS) on the federal side; and on the State's side DWR and DFG. The federal government was tasked to fulfill the settlement requirements. Some of their tasks will include organizing a technical team, completing needed studies and formulating a strategy, addressing water rights, and organizing stakeholder groups to insure local input in the process.

Some Bureau milestones for restoration were discussed and are listed in the table below.

Date	Milestone
October 2006	Settlement Approval
December 2006	Restoration Administrator Appointed by Friant and NRDC
December 2006	Federal Authorizing Legislation
January 2007	Friant Division, Hidden & Buchanan Unit Contract Amendments
January 2007	State & Federal Agencies Establish Process to Implement Settlement
September 2009	Complete Programmatic Environmental Studies NEPA, CEQA, Endangered Species Act (ESA), etc...
October 2009	Initiate Interim Flow and Monitoring Program in San Joaquin River
December 2012	Reintroduce Spring/Fall Run Salmon
December 2013	Completion of Phase 1 Improvements
January 2014	Begin Full Restoration Flows
December 2016	Complete Phase 2 Improvements
December 2025	Review & Revise Restoration Flows, if necessary

Philips went on to describe the organizational structure being developed for the restoration efforts and how the implementing agencies will fit in that structure. Working groups will develop recommended actions for implementation, and present them to the Program Manager whom will report to the Secretary of Interior. Third parties may be able to give their input directly to the Secretary of Interior. Further work is needed to develop a process to include the general public in order to ensure potential impacts will

be addressed. One suggestion was to use SJRMP as a stakeholder group; the program has a broad base of participants and is already organized as a public and open forum.

The federal funding is pending legislation and the state funds will be available 2007-2008. The settlement and other information can be accessed online:
<http://www.usbr.gov/mp/SJRRP/index.html>.

Question and Answer for Settlement Topics

Organizational Structure, Third Parties, and TAC

Q: Will the third party process address the water rights application? If so, how?

A: The 1707 permit is to make sure water is retained for restoration.

Q: Will there be any third party representatives for downstream users on the TAC? Will the TAC be public?

A: The TAC will not be public and the federal agencies will have liaisons on the TAC.

Q: Why isn't there a public relations component in the organizational structure of the settlement?

A: Subgroups are currently working on outreach to active groups.

Q: Who will facilitate the TAC?

A: The RA will facilitate the TAC. Operating guidelines will be developed because the settlement does not have any specifics.

Environmental

Q: How will restoration flows impact Salmon populations in the tributaries on the San Joaquin River?

A: This issue will be addressed.

Q: Where will the spring run salmon stock come from?

A: There is currently a healthy spring run on Butte Creek and that this may provide a good stock base, but NMFS will make the final determination.

Q: Will there be a control point to count fish to determine the success of implemented actions?

A: This needs to be addressed but counts will likely be for returning adult fish in the upper reach near Friant.

Q: Are there other benefits and how will they be measured?

A: There will be other benefits with the restoration including wildlife, water quality, quality of life, etc.

Water Management

Q: How will the Plan deal with recirculation?

A: The Bureau will have to coordinate these efforts as will the CEQA/NEPA process.

Q: Will the water loss from Friant to Merced be quantified?

A: This will be included in the water recovery account and unexpected seepage losses will be investigated. The hydrographs have assumed losses, but there will be points downstream of Friant that will need to meet flow requirements, so flows from inputs may need to be measured to help determine seepage losses. The water releases from Friant are set and changes to the releases will require the Secretary to address the issue, but the Secretary has the authority to purchase water to make up for additional losses.

Q: Will recirculation impact the operations at Tracy and Banks?

A: Existing water deliveries can not be impacted, so any recirculation will be controlled by operations at the State and federal pumping facilities in the Delta.

This River is Our River, Phase 2 Public Service Announcement

Sharon Weaver, San Joaquin River Parkway and Conservation Trust, gave an update on the current Calfed funded project, This River is Our River Phase 2 (TRIOR2). The Technical Advisory Committee had approved the Public Service Announcement (PSA) for the TRIOR2 project. The television PSA was recorded along the San Joaquin River and included images of the Friant Dam and Central Valley farmland. Individuals featured in the video were children from the Parkway's summer camps, Parkway staff and supporters, farmers, DFG, Friant and NRDC staff. A common message throughout was "This is our River" and "The San Joaquin River is a vital resource". These messages are designed to raise the general public's awareness and educate them on the importance of the River to the region. Messages are available in Spanish, English, and bilingual. A radio PSA was also released and follows the television PSA but is only available in a bilingual version. The PSA's can be accessed online:

http://www.ourlandourriver.org/OLOR_ads.htm

Next Meeting: Wednesday, June 6 from 9:00 am to 11:30 am at the Stanislaus County Ag Center in Modesto in the main conference room H and I.

**ATTENDEES AT
SAN JOAQUIN RIVER MANAGEMENT PROGRAM
ADVISORY COUNCIL MEETING
February 14, 2007**

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